



**U.S. Department of Housing and Urban Development
Office of Public and Indian Housing**

Special Attention of:
Administrators; Offices
of Native American Programs;
Tribes, Tribally Designated
Housing Entities

Notice PIH 2008 – 34 (TDHEs)

Issued: August 20, 2008

Expires: August 31, 2009

Cross Reference: 24 CFR Part 1000
PIH-2003-16, PIH-2006-17 (TDHE),
PIH 2007-11 (TDHE)

SUBJECT: Total Development Costs (TDC) for Affordable Housing under the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA)

PURPOSE: This Notice supersedes Notice PIH 2007-11 (TDHEs), same subject, dated April 30, 2007. This Notice transmits the updated schedule for the maximum amount of funds, from all sources, that may be used for affordable housing under NAHASDA. The requirement for the development and implementation of these limits is found at 24 CFR 1000.156 through 1000.162 of the Indian Housing Block Grant (IHBG) regulations published in the *Federal Register* on September 28, 2001, and effective October 29, 2001.

BACKGROUND: TDC amounts are based on a moderately designed house, and are determined by averaging the current construction costs as listed in two nationally recognized residential construction cost indices (Marshall & Swift/Boeckh, LLC and RS Means Residential 2008 Cost Data) for publicly bid construction of a good and sound quality. Multipliers for each area are applied against these basic numbers to provide costs that are specific to each geographical location. A second multiplier is then applied to account for non-construction costs. These indices draw their data from surveys of construction costs in each specific area.

RS Means states, “construction costs have weakened quickly in the last months under pressure from the 10% drop in construction activity since the February 2006 peak level. The 40% drop in single family construction spending has more than offset still rising nonresidential construction spending. Residential labor rates and margins and prices for materials heavily used in residential construction have fallen significantly. The Labor Department price index for construction materials was at the same level in October 2007 as it was in May 2007. Prices for some items rose during the summer but have since declined. The only significant changes since May are the increase for diesel fuel and increase for nonferrous pipes and tubes. These increases are more due to the falling dollar and strong world commodity demand than domestic construction spending trends.”

APPLICABILITY: The TDCs published in this notice are in effect for FY 2008, and will remain effective until superseded. The following tribes' TDCs have increased from Notice PIH 2007-11:

Santee Sioux, Nebraska
Mississippi Choctaw, Mississippi
Coharie, North Carolina
Eastern Cherokee, North Carolina
Haliwa-Saponi, North Carolina
Lumbee, North Carolina
Waccamaw Siouan, North Carolina
Catawba, South Carolina

Should additional information be required, please contact your Area Office of Native American Programs.

/s/

Paula O. Blunt, General Deputy Assistant Secretary
for Public and Indian Housing

Attachment